

# **Business Licensing**



**Packet** 

# Vehicle Dealer License Application Instructions

Thank you for your interest in obtaining a Maryland Vehicle Dealers License. It is our intent to help you obtain your license as quickly as possible. If assistance is needed, please e-mail the Motor Vehicle Administration Business Licensing Division at mvablcsd@mva.maryland.gov. To obtain a Maryland dealer packet, you may visit the Business License Information website at www.mva.maryland.gov. For more information on state and local licensing requirements, visit www.dsd.state.md.us for Code of Maryland Regulations (COMAR) and Maryland Vehicle Law is available online at www.lawlib.state.md.us. Note: Failure to complete the application and submit the required documents will result in your application being rejected.

### **Getting Started:**

You will need to obtain the following:

- Application for Vehicle Dealers License (CS-042). Make sure the application is completed in its entirety.
- **Zoning Approval Form (CS-053).** This form must be presented to the Zoning Board in the County/City where your business is located. A representative of the Zoning Board must complete the lower portion of the form.
- Department of Assessment and Taxation form/letter that verifies you are registered to do business in the State of Maryland using the name(s) indicated on your application. Both your corporate and trade names must be registered. The Department of Assessment and Taxation is located at 301 W. Preston Street, Baltimore, Maryland 21201. You may contact them by telephone at 410-767-1330, 1331, or 1332 or visit their website at <a href="http://www.dat.state.md.us/sdatweb/sdatforms.html">http://www.dat.state.md.us/sdatweb/sdatforms.html</a>
- Completed Dealer Site Inspection. Prior to becoming licensed, an investigator will go to your place of business and inspect your location to ensure compliance with the Maryland Code of Regulations (COMAR). To schedule your site inspection, please contact MVA Investigation Division at 410-768-7216. Upon approval of your site inspection, the investigator will initial your application and will check that you either passed or failed the inspection.
- Repair Facility Contract (CS-125). If you do not have repair facilities at the location where you will be licensed, you must
  provide a contract with a repair facility within 5 miles of your dealership. The contract must include Maryland State Police
  (MSP) inspection if applicable.
- **Dealer Orientation Request** Before a license can be issued, you must attend a dealer orientation. Please complete the request and submit to the Business Licensing and Consumer Services Division. The orientation is held the second Tuesday of every month from 9:00 a.m. 12:00 noon. All applicants will be scheduled for the next available class.
  - Note: Don't delay in submitting this request! You may not be issued a license until you attend the orientation.

## Next Step:

Once the above documents are completed, submit your application and appropriate fees along with the following:

- **ERT Contract** All new licensees are required to contract with an Electronic Registration and Titling (ERT) provider. A copy of your ERT contract is required to be submitted along with your completed application. For vendor contact information please visit <a href="http://www.mva.maryland.gov/Business-Services/ert.html">http://www.mva.maryland.gov/Business-Services/ert.html</a>
- Criminal Background Check All applicants/licensees must submit a Criminal Background Check. If you live or have
  lived in another state within the last year, you must provide a criminal record from that state in addition to the Maryland
  record check.
- Surety Bond of Vehicle or Trailer Dealer (CS-067A). The bond required is based on the number of vehicles you sold/ projected to be sold. The bond must be in the full name of the dealership including any trade name. It must reflect the full name of all officers, partners, or owners exactly as shown on the application.
- Workers' Compensation If you have Workers' Compensation Insurance, complete information requested on the
  Application for Vehicle Dealers License in the appropriate section. If you are claiming exemption from providing Worker's
  Compensation Insurance for your employees, please contact the Workers' Compensation Office at 410-864-5400 or visit
  their website at <a href="www.wcc.state.md.us">www.wcc.state.md.us</a> to obtain information and the appropriate forms for businesses who do not provide
  this type of coverage.
- Trader's License (copy) A copy of the trader's license obtained from the Circuit Court in the jurisdiction where your business is located is required.
- Use and Occupancy Permit Is required by applicants using a trailer as an office.
- Franchise Approval from Manufacturer New Vehicle Dealers must provide verification of franchise agreements from
  each manufacturer. A manufacturer must also be licensed with the MVA in order to have its products sold by a dealer in the
  State of Maryland.
- New Vehicle Certification Form (CS-22). This form defines certain relationships with manufacturers that cannot be licensed as dealers in Maryland.

**Mail** your completed application packet to: MVA, BL&CS, Room 146 6601 Ritchie Highway

Glen Burnie, MD 21062



Application for Veh	icle Dealer's Licens	se			
Type of Dealership  ☐ Used Car  ☐ New Car  ☐ Motorcycle  ☐ Trailer over 15 feet  ☐ Boat Trailer/Trailer < 15 ft  ☐ Emergency Vehicle  ☐ Wholesale	Type of Application  ☐ Renewal Application  ☐ Original Application  ☐ Additional Location  ☐ Change of Address  ☐ Change of Ownership	Type of Owne Corporation Partnership Close Corp LLC Individual C	Deal Doration Expi  Dwner Lice	ler's Lic. # ration Date nse Control Number	
Company Name (include trade	name)				
Street Address					
City	County		Sta	te Zip Code	
Business Phone		Business Ho	urs		
Employer ID Number (FEIN)		Current Trade	er's License Numb	er	
Email Address					
Primary Contact (The information					
Name	Phone Number		Email Add	dress	
List all owners, partners or of Note: One Gratis Salesman's				Gratis Salesman License.	
Name of Owner, Partner or Officer	Social Security Number		Position	Home Phone No.	
Street Address (Home)	С	City	State	Zip Co	ide
Date of Birth	Driver's Licer	nse Number		State	
Name of Owner, Partner or Officer	Social Security Number		Position	Home Phone No.	
Street Address (Home)	C	City	State	Zip Co	ide
Date of Birth	Driver's Licer	nse Number		State	
Name of Owner, Partner or Officer	Social Security Number		Position	Home Phone No.	
Street Address (Home)	C	City	State	Zip Co	de
Date of Birth	Driver's Licer	nse Number		State	
Other than those listed above more space is required.	, list all that have direct or in	direct financial	interest in this de	alership. Please attach addit	ional statements if
First, Middle, and Last Name		Soc. See	c. No.		
Street Address (Home)	C	City	State	Zip Co	de
First, Middle, and Last Name	Soc. Sec. No.				
Street Address (Home)	C	Dity	State	Zip Co	de
List all places for storage			List makes of vel	hicles for which your dealership l	nolds a franchise.

YES	NC	)				
		1. Do you operate a repair facility at this location? If no, please attach a completed Service Shop Contract (Form CS-125).				
		2.	Have you ever been licensed as a vehicle dealer, salesman, a title service agent in Maryland or any other state?			
			If yes, Person Licensed			
			Name of Business	_Type of license		
			License number	State Expira	ation	
			Submit additional information on separate sheet.			
		3.	Are any administrative actions, including suspension, revocation, refusal or fines pending against any license you have ever held? NOTE: This does not include your personal driver's license.			
			If yes, Business	Licensee		
			Type of license	License number		
			State Expiratio	n Date	of action	
		١.,	Submit additional information on a separate sheet.			
_	_	l 4.	Has any business license you have held in Maryland or any other s NOTE: This does not include your personal driver's license.	state been suspended, revoked, or re	efused?	
			If yes, Business	_Licensee		
			Type of license			
			StateExpiratio	n Date	of action	
		۱ -	Submit additional information on separate sheet.			
		I 5. Have any of the owners, management personnel, or any other person who shall have a financial interest, either direct or indirect in the business, ever been convicted of a crime other than a traffic violation? If yes, give details in a separate statement as to date(s),				
<b>_</b>	Ч	l 6.	Do any of the persons listed on this application have a financial int motorcycle, trailer, or wholesale dealer in this state? If yes, please	erest, either direct or indirect, with an give details in a separate statement.	ny other new car, used car,	
		7.	Are you currently employed with a Maryland State Government Ag	ency? If yes, what Agency?		
		8.	Was a dealership at this location previously? If yes, please provide	information		
		١ ـ	Insurance Inform			
			Surety Bond Insurance Company		Agent	
_	_	I 10	b. Do you provide Worker's Compensation? If no, attach copy of	•		
		١	Insurance Company	-	_	
_	_	I 11	. Do you provide mechanical repair contracts or extended warrantie insurance policy as follows.	s? If yes, as required by law, I have s	secured a reimbursement	
_			Insurance Company	Policy/Binder #	Agent	
	Ш	12	2. Number of tags requesting			
			Insurance Company	Policy/Binder #	Agent	
		13	s. Please list number of vehicles sold during the previous year.	Retail Wholesa	ale	
			If an original application, projected number of vehicles to be sold in	n the next 12 months		
		14	. For renewals, please list number of dealer tags assigned to dealers	ship.		
Certification  All willful misinformation provided with fraudulent intent may be prosecuted under Maryland Law. I solemnly affirm under penalties of perjury and upon personal knowledge the contents of the foregoing document is true and correct. This dealership meets the location requirements and I/we understand the titling and registration, insurance, inspection, and dealer licensing provisions set forth in Maryland Vehicle Law and pertinent Motor Vehicle Administration regulations.  Name of Dealership						
	ate		_ by Applicant Signature Capa	city	Printed Name	
	ate		_ by Capa Capa	city	Printed Name	
	Date		_ by	city	Printed Name	
			(All owners and corporate officers	are required to sign.)		
			For MVA Use O	nly Date	С С С С С	
Site In	spe	ction	n Pass Fail Investigator Printed N	ame	Date	



### **BOND REQUIREMENTS AND LICENSE FEES**

License Type	Number of Vehicles Sold	Amount
New Vehicle	1-500	\$50,000
	501-1,000	\$75,000
	1,001-2,500	\$100,000
	Over 2,500	\$300,000
Used Vehicle	1-250	\$15,000
	251-500	\$25,000
	501-1,000	\$35,000
	1,001-2,500	\$50,000
	Over 2,500	\$150,000
Wholesale	1-250	\$15,000
	251-500	\$25,000
	501-1,000	\$35,000
	1,001-2,500	\$50,000
	Over 2,500	\$150,000

License Type	Number of Vehicles Sold	Amount
Trailer	Boat	\$5,000
Trailer	Under 15 feet	\$5,000
	Over 15 feet:	\$15,000
New Motorcycle	1-500	\$50,000
	501-1,000	\$75,000
	1,001-2,500	\$100,000
	Over 2,500	\$300,000
Used Motorcycle	1-250	\$15,000
	251-500	\$25,000
	501-1,000	\$35,000
	1,001-2,500	\$50,000
	Over 2,500	\$150,000

	Number of	
License Type	Vehicles Sold	Amount
New Emergency	1-500	\$50,000
	501-1,000	\$75,000
	1,001-2,500	\$100,000
	Over 2,500	\$300,000
Used Emergency	1-250	\$15,000
	251-500	\$25,000
	501-1,000	\$35,000
	1,001-2,500	\$50,000
	Over 2,500	\$150,000
Title Service	N/A	\$25,000
Manufacturer, Second Stage Manufacturer, Distributor, or Factory Branch License	1-50 51-500 501-10,000 Over 10,000	\$25,000 \$50,000 \$100,000 \$300,000

### LICENSE ISSUANCE AND INTERCHANGEABLE TAG REGISTRATION FEES

Type of Business	Two (2) Year Licensing Fee (New and Renewal)	Two (2) Year Interchangeable Tags (New and Renewal)
New Vehicle Dealer	\$500.00	\$100.00
Used Vehicle Dealer	\$500.00	\$100.00
Wholesale Vehicle Dealer	\$500.00	\$100.00
Motorcycle Dealer	\$300.00	\$50.00
Emergency Vehicle Dealer	\$500.00	\$100.00
Trailer Dealer - Boat Trailers - Trailers less than 15 feet in length - Trailers 15 feet or longer	\$100.00 \$100.00 \$300.00	\$65.00 \$65.00 \$65.00
Title Service Agent	\$125.00	N/A
Automotive Dismantler and Recycler	\$400.00	\$125.00
Scrap Processor	\$400.00	\$125.00

Type of Business	Two (2) Year Licensing Fee (New and Renewal)	Two (2) Year Interchangeable Tags (New and Renewal)
Special Mobile Equipment (SME) Owner	N/A	\$125.00
Transporter	N/A	\$125.00
Factory Branch (of Manufacturer)	\$2,000.00	\$100.00
Finance Company	N/A	\$125.00
Manufacturer, Second Stage Manufacturer, Or Distributor 1 to 50 vehicles transferred per year 51-500 vehicles transferred per year 501 to 10,000 vehicles transferred / year Over 10,000 vehicles transferred per year	\$200.00 \$600.00 \$1,000.00 \$2,000.00	\$100.00 \$100.00 \$100.00 \$100.00

### **SALESMAN'S LICENSE FEES**

Transaction	Fee	Comments
New Salesman's License	\$75.00	
Renewal Salesman's License	\$75.00	
Transfer Salesman's License	\$75.00	
Corrected Salesman's License	\$20.00	Corrected license is gratis if the error was caused by the MVA
Duplicate Salesman's License	\$20.00	

### **BUSINESS LICENSING ORIENTATION REQUEST**

**Note:** Applicants for a dealer or title service license must attend a Business Licensing Orientation Class. The class is scheduled for the 2nd Tuesday of every month at 9:00 a.m. at the Glen Burnie MVA.

Complete this form and return by fax to: **410-768-7602**. Or email completed form to: **mvablcsd@mva.maryland.gov** 

Or mail your request to: Motor Vehicle Administration

6601 Ritchie Highway, N. E.

**Room 146** 

Glen Burnie, MD 21062

The orientation will give information that is essential in the daily operation of your dealership and will allow time for any questions you may have. Representatives from Business Licensing and Consumer Services and Investigative Services will give presentations.

Questions are welcomed and encouraged.

Please provide the following information:
Participant Name:
Participant Address:
Participant Phone Number:
Participant Email Address:
Type of License:
Name of Attendees/Job Title:
Name of attendees/job title:
The Administration strongly encourages participation by owners, title clerks and any staff who may be involved in the day to day operation of your business.
A business license may not be issued until you attend the orientation.
Licensee Signature:Date:

You will be scheduled for the next available class. A confirmation notice will be sent to you at the e-mail address indicated above. If you have any questions please e-mail the Motor Vehicle Administration Business Licensing Division at mvablcsd@mdot.state.md.us. Please call if you are unable to attend. Anyone 15 minutes late or more for orientation will be required to reschedule.